

Decision **DRAFT DECISION OF ALJ PATRICK** (Mailed 9/30/2003)

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Investigation on the Commission's Own Motion  
Into the Status, Rates, Rules, Operations, Service,  
Facilities, Contracts, and Practices of the Union  
Pacific Railroad Company in the Supply,  
Distribution, and Sale of Water by the Keene  
Water System to the Communities of Keene and  
Woodford in Kern County.

Investigation 00-05-020  
(Filed May 18, 2000)

(For Appearances, see Decision (D.) 02-04-017.)

**OPINION CLOSING PROCEEDING**

**Summary**

Following (1) the issuance of D.02-04-017 declaring the Keene Water System to be a public utility under Pub. Util. Code § 2701; (2) the issuance of the Water Division Report dated April 17, 2003; and, (3) Union Pacific Railroad Company's (UP) response that it will be filing an application for a rate increase, there is no further need for this Investigation to remain open. Accordingly, this proceeding is closed.

**Discussion**

Following issuance of the Water Division Report concluding that the current rates are not compensatory, the assigned administrative law judge (ALJ) issued a ruling on June 12, 2003, requesting UP to inform the Commission whether it intended to move forward with a rate increase application. On

July 23, 2003, UP responded that it intends to do so. Although invited, no comments were received from any of the other parties regarding UP's proposal.

Any request for a rate increase for the Keene Water System will be processed in accordance with our standard procedure for general rate cases for water utilities. Since Water Division has already issued its report on the Keene Water System, UP is not required to file a Notice of Intent. However, it should comply with all Section 454 notice requirements. There is no further need for this Investigation to remain open and this proceeding should be closed.

### **Comments on Draft Decision**

The draft decision of the ALJ in this matter was mailed to the parties in accordance with Pub. Util. Code § 311(g)(1) and Rule 77.7 of the Rules of Practice and Procedure. No comments were received.

### **Assignment of Proceeding**

Carl Wood is the Assigned Commissioner and Bertram D. Patrick is the assigned ALJ in this proceeding.

### **Findings of Fact**

1. The Commission, in D.02-04-017, declared the Keene Water System to be a public utility.
2. The Water Division Report dated April 17, 2003 concludes that current rates are not compensatory.

### **Conclusions of Law**

1. UP should be granted leave to file a general rate increase application for its Keene Water System.
2. Since an application for a general rate increase would be handled in accordance with the standard procedures for general rate cases for water utilities, there is no need for this Investigation to remain open.

3. Since Water Division has issued its report on the Keene Water System, UP should not be required to file a Notice of Intent.

**O R D E R**

**IT IS ORDERED** that:

1. Union Pacific Railroad Company (UP) shall file a general rate case application with regard to its Keene Water System. UP is not required to file a Notice of Intent.

2. This proceeding is closed.

This order is effective today.

Dated \_\_\_\_\_, at San Francisco, California.